

The Economist

APRIL 30TH–MAY 6TH 2011

Economist.com

Savagery in Syria

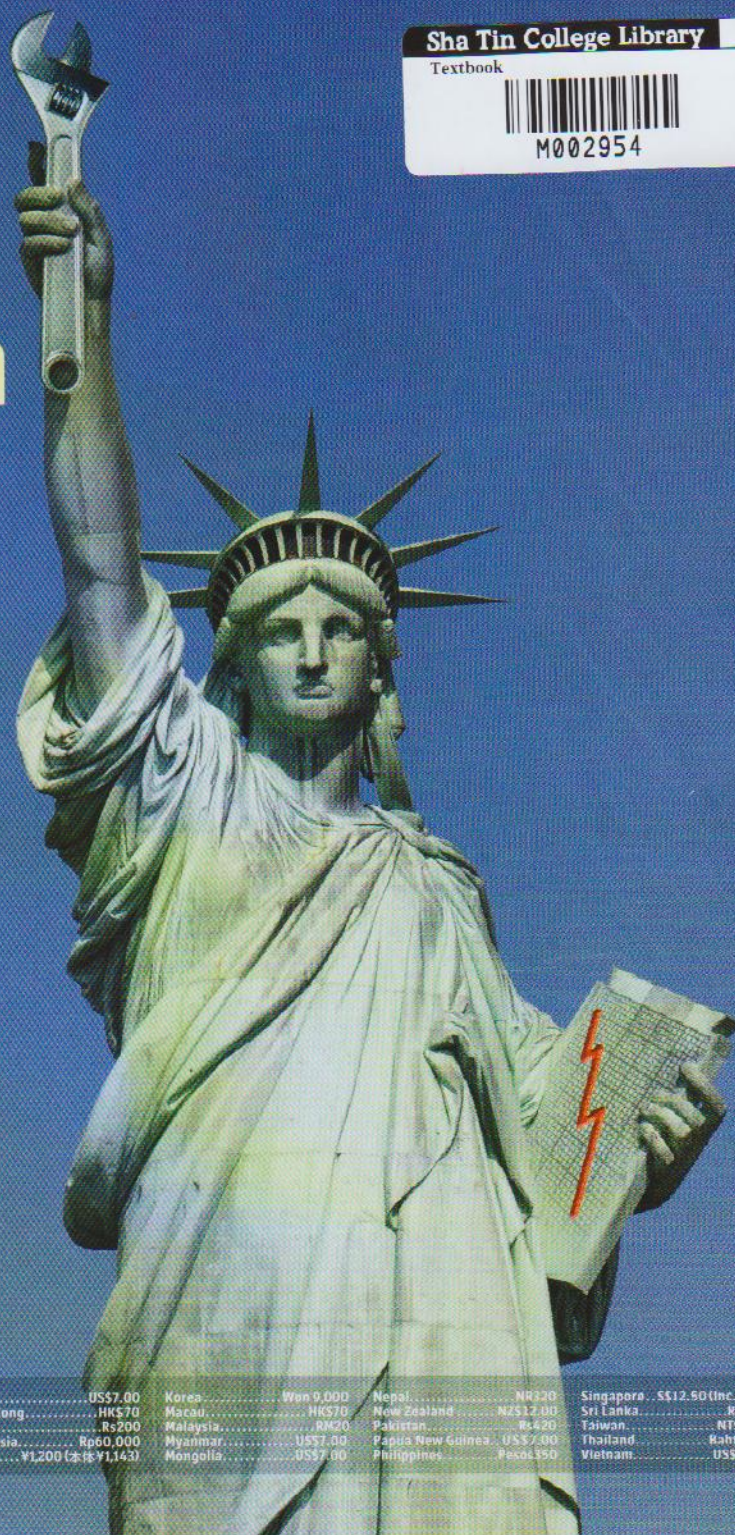
Britain votes on its voting system

Who should govern Canada?

Sony, Amazon and a storm in a cloud

Behold, the \$300 home

What's wrong with America's economy?



Sha Tin College Library

Textbook



M002954



18

Australia..... A\$11 (inc. GST)
Bangladesh..... TK430
Brunei..... B\$12.00
Cambodia..... US\$6.50
China..... RMB 75

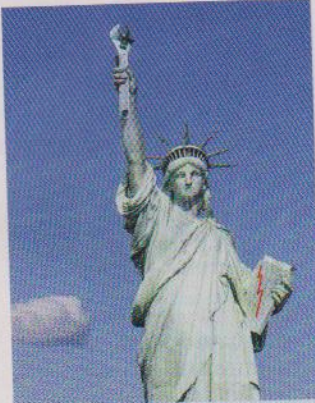
Fiji..... US\$7.00
Hong Kong..... HK\$70
India..... Rs300
Indonesia..... Rp60,000
Japan..... ¥1,200 (excl. ¥1,143)

Korea..... Won 9,000
Macau..... HK\$70
Malaysia..... RM50
Myanmar..... US\$7.00
Mongolia..... US\$7.00

Nepal..... NR230
New Zealand..... NZ\$12.00
Pakistan..... Rs400
Papua New Guinea..... US\$7.00
Philippines..... Pesos 950

Singapore..... S\$12.90 (inc. GST)
Sri Lanka..... Rs700
Taiwan..... NT\$250
Thailand..... Baht 250
Vietnam..... US\$7.00

Contents



On the cover
America's politicians are failing to tackle the country's real problems. Believe it or not, they could learn from Europe: leader, page 11. A closer look at three huge debates: the state of American infrastructure, page 33, how it innovates, page 36 and the plight of low-skilled men, pages 68-70. America's cosmetically enhanced statistics: Economics focus, page 76

The Economist online

Daily analysis and opinion from our 19 blogs, plus audio and video content, debates and a daily chart Economist.com/blogs

E-mail: newsletters and mobile edition
Economist.com/email

Print edition: available online by 7pm London time each Thursday
Economist.com/print

Audio edition: available online to download each Friday
Economist.com/audioedition

The Economist

Volume 399 Number 8731

First published in September 1843 to take part in "a severe contest between intelligence, which presses forward, and an unworthy, timid ignorance obstructing our progress."

Editorial offices in London and also: Atlanta, Beijing, Berlin, Brussels, Cairo, Chicago, Hong Kong, Johannesburg, Los Angeles, Mexico City, Moscow, New Delhi, New York, Paris, San Francisco, São Paulo, Singapore, Tokyo, Washington DC

7 The world this week

Leaders

- 11 **The United States**
What's wrong with America's economy?
- 12 **The revolt in Syria**
Not so easy
- 13 **Britain's voting system**
Yes or No?
- 14 **Cloud computing**
Break-ins and breakdowns
- 14 **Canada's general election**
Groundhog day
- 16 **Poland**
A place at the top table

Letters

- 18 **On pensions, Libya, GPS, gendercide, robots**

Briefing

- 25 **Constitutional reform**
All change

Asia

- 29 **Japan's politics**
Rebuilding or ruining?
- 30 **Taiwan's opposition**
Just ask the public
- 30 **China and Confucius**
Sage move?
- 31 **Afghanistan security**
Break for the hills
- 32 **Banyan**
Sri Lanka's war crimes

United States

- 33 **America's transport infrastructure**
Life in the slow lane
- 36 **Innovation**
Still full of ideas, but not making jobs
- 38 **The 2012 Republican primaries**
Exit a heavyweight
- 40 **Lexington**
Gates leaves the Pentagon

The Americas

- 41 **Canada's election**
Harper's elusive majority
- 42 **Security in Colombia**
New names, old games
- 43 **Mexico's drug war**
Shallow graves, deep alarm
- 43 **Cuba's cigar industry**
Smoked out

Middle East and Africa

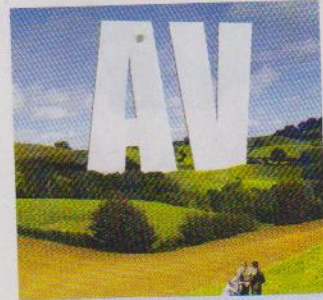
- 44 **Revolt and Syria**
Could Assad fall?
- 45 **Yemen's president**
On his way at last?
- 46 **The Salafist challenge**
Out of the Arab woodwork
- 47 **Palestinian reconciliation**
Is it for real?
- 47 **The battle for Libya**
Pressure points
- 48 **Nigeria's election**
The turbulent north

Europe

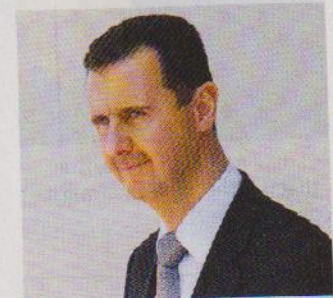
- 49 **The Polish government**
Tusk in time
- 50 **Spain's public finances**
Regions to be worried
- 50 **Germany's labour market**
Across the Oder
- 51 **France and globalisation**
We'll always have Paris
- 51 **The Turkish opposition**
Gandhi's rise
- 52 **Europe's big political parties**
The shrinking big tents
- 54 **Charlemagne**
Shengen, another project in trouble

Britain

- 55 **Coalition woes**
The one-year itch
- 56 **Privacy law**
Free speech v private life
- 56 **GDP figures**
Low bounce
- 57 **Bagehot**
London, the thinking capital



Britain votes The electoral system has its flaws: the reform on offer on May 5th does not fix them: leader, page 13. A country on the verge of constitutional upheaval, pages 25-27. The AV referendum and local elections will worsen already bad relations between the governing parties, page 55. Westminster has become a cerebral place: Bagehot, page 57. Europe's big political parties shrink, page 52



Syria A country that presents a much trickier conundrum for outsiders than previous Arab upheavals: leader, page 12. Bashar Assad, under pressure, page 44. An ousting in Yemen, page 45. Extreme Islam on the rise, page 46

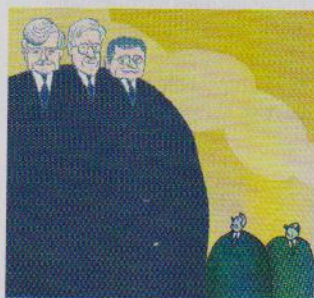


Canada That Stephen Harper is the least bad option is an indictment of the country's politics: leader, page 14. The election battle, page 41

» Contents continues overleaf



Sony and Amazon The lessons from the PlayStation's big security lapse and Amazon's cloud-computing breakdown: leader, page 14. The troubles have revived worries about the risks of handling data online, page 61



Carlyle A private-equity firm that is rather different from its peers, page 71



The \$300 home A smart idea for improving the world's slums: Schumpeter, page 66. At the other end of the market, low-emission luxury yachts are now possible using the latest technology, page 77

International

- 59 **The Vatican**
Sainly shadows
- 60 **Carbon flows**
The emissions omitted
- 60 **Nuptial economics**
Unbridled

Business

- 61 **Sony and Amazon**
Reputations in the dirt
- 62 **Reforming company taxes**
Getting corporations to cough up
- 63 **American hospitals**
Bigger and better
- 63 **Honda's troubles**
Civic unrest
- 64 **Nuclear power**
Areva gauges the pressure
- 64 **Japan's energy**
A cloud with a green lining
- 65 **Advertising in Africa**
Nigeria's mad men
- 66 **Schumpeter**
A \$300 idea that is priceless

Briefing

- 68 **America's jobless men**
Decline of the working man

Finance and economics

- 71 **The Carlyle Group**
An atypical giant
- 72 **Buttonwood**
Gilt-edged argument
- 73 **The Doha round**
Dead man talking
- 73 **The Canton Fair**
The China price
- 74 **China's current-account surplus**
Incredibly Misleading Forecasts?

- 75 **The Federal Reserve**
Ben meets mike
- 75 **Petri-dish economies**
Few woes in Warsaw
- 76 **Economics focus**
Botoxed America

Science and technology

- 77 **Green mega-yachts**
Not-so-filthy rich
- 78 **Hunting the Higgs boson**
Indefinite particles
- 78 **Organising the web**
The science of science
- 79 **Deep-sea vents**
Ocean-floor migration

Books and arts

- 80 **War in Congo**
Chronicle of death ignored
- 81 **Demise of AIG**
Hanks for the memory
- 81 **Paul Allen's memoir**
Office politics
- 82 **Tahar Ben Jelloun's fiction**
Tangle of ties
- 82 **Lawrence of Arabia**
Prince of his disorder
- 83 **Classical guitar**
Sweet new voice

Obituary

- 84 **Barry Blumberg**
Surprised by a virus
- 93 **Economic and financial indicators**
Statistics on 42 economies, plus closer looks at metals prices and music sales



Congo's tragedy Five million people have died in a war that no one really understands. An interesting new book provides an explanation, page 80

Principal commercial offices:

25 St James's Street, London SW1A 1HG
Tel: 020 7830 7000

Boulevard des Tranchées 16
1206 Geneva, Switzerland
Tel: 41 22 566 2470

750 3rd Avenue, 5th Floor, New York, NY 10017
Tel: 1 212 541 0500

60/F Central Plaza
18 Harbour Road, Wanchai, Hong Kong
Tel: 852 2585 3888

Other commercial offices:

Chicago, Dubai, Frankfurt, Los Angeles, Paris, San Francisco and Singapore

Subscription service

For our latest subscription offers, visit Economist.com/offers. You can also subscribe by mail, telephone or fax at the details provided below:

Telephone: +65 6534 5166

Facsimile: +65 6534 5066

Web: Economist.com/offers

E-mail: EconomistAsia.Subs@quadrantsubs.com

Post: The Economist
Subscription Centre,
Tanjong Pagar Post Office
PO Box 671
Singapore 910817

Subscription for 1 year (51 issues)

Hong Kong	HK\$ 1,680	Thailand	US\$230
Australia	A\$365	Japan	Yen 34,500
Malaysia	US\$180	India	US\$123
Singapore	S\$365	New Zealand	NZ\$390
Other countries		Contact us as above	

An Economist Group business



PEFC certified

This copy of *The Economist* is printed on paper sourced from sustainably managed forests certified by PEFC www.pefc.org

